

Message Text

UNCLASSIFIED

PAGE 01 ROME 10913 101726Z

70

ACTION EUR-25

INFO OCT-01 ISO-00 EA-11 SPC-03 AID-20 EB-11 NSC-10 RSC-01

CIEP-02 TRSE-00 SS-15 STR-08 OMB-01 CEA-02 SCEM-02

CIAE-00 COME-00 FRB-02 INR-10 NSAE-00 XMB-07 OPIC-12

LAB-06 SIL-01 PA-03 PRS-01 USIA-15 INT-08 FPC-01

TAR-02 DRC-01 /181 W

----- 064772

R 101600Z OCT 73

FM AMEMBASSY ROME

TO SECSTATE WASHDC 1233

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

AMCONSUL FLORENCE UNN

AMCONSUL GENOA UNN

AMCONSUL MILAN UNN

AMCONSUL PALERMO UNN

AMCONSUL TRIESTE UNN

AMCONSUL TURIN UNN

AMCONSUL NAPLES UNN

UNCLAS ROME 10913

E.O. 11652: N/A

TAGS: ENRG, ETRD, IT

SUBJ: GOVERNMENT ACTS TO CONTROL GAS OIL, KEROSENE EXPORTS

REF : ROME 10564

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ROME 10913 101726Z

1. ONE WEEK FOLLOWING DECISION TO INCREASE PRICE OF GASOLINE AND GAS OIL FOR HEATING AND COMBUSTION ENGINES (REFTEL), GOI HAS ACTED TO BRING EXPORTS OF KEROSENE AND GAS OIL FOR HEATING UNDER TEMPORARY LICENSING PROCEDURE. MEASURES TAKEN IN VIEW OF REPORTEDLY SERIOUS DOMESTIC MARKET SHORTAGES AND LOW STOCKPILE LEVELS DUE TO CONSIDERABLE GAP BETWEEN ITALIAN AND INTERNATIONAL MARKET PRICES DESPITE RECENT INTERNAL MARKET PRICE INCREASE.

2. MEASURE, SCHEDULED TO LAST THROUGH MARCH 31, 1974, SUBJECTS EXPORTS ABOVE PRODUCTS--TARIFF NUMBERS 27.10 B (MEDIUM OILS), CODES 310, 330, 350, 390, AND 27.10 C I (GAS OIL), CODES 510, 530, 591, 594--TO PRELIMINARY AUTHORIZATION BY MINISTRY OF FOREIGN TRADE. EXPORTS TO EC COUNTRIES, HOWEVER, WILL RECEIVE AUTOMATIC AUTHORIZATION.

3. GOVERNMENT DECISION FOLLOWS RISING CHORUS OF INDUSTRY WARNINGS OF INEVITABLE HEATING OIL SHORTAGES THIS WINTER. IN RECENT MEETING OF NATIONAL INDEPENDENT PETROLEUM DISTRIBUTORS ASSOCIATION (ASSOPETROLI), SITUATION TERMED "DRAMATIC", WITH EXPECTED SHORTFALL GAS OIL FOR HEATING PROJECTED AT 1.8 MILLION TONS THROUGH CY1973. ESSO PETROLI IS CALLING FOR GOVERNMENT TO COMPEL COMPANIES TO MARKET IN ITALY A SET PERCENTAGE OF THEIR REFINED PRODUCTS TO MEET DOMESTIC NEEDS. IT URGES, FURTHER, THAT GOVERNMENT "DISCIPLINE" DISTRIBUTION AND CONSUMPTION OF LIQUID HEATING OILS IN RELATION TO THEIR CONFIRMED AVAILABILITY.

4. MINISTER OF FOREIGN TRADE MATTEOTTI, IN OCTOBER 9 PRESS CONFERENCE ACKNOWLEDGED THAT EXPORT LICENSING MEASURES ARE MAINLY "PSYCHOLOGICAL", WITH LITTLE PRACTICAL LIKELIHOOD OF RESOLVING SUPPLY PROBLEMS. PRESS REPORTS NOTE IN THIS CONNECTION THAT OVERWHELMING SHARE ITALY'S GAS OIL EXPORTS (ABOUT 75 PERCENT) GO TO EC MARKETS, LEAVING ONLY ABOUT 1/4 SUCH EXPORTS SUBJECT TO GOVERNMENT LEVERAGE. MINISTRY REPORTED FURTHER HOWEVER TO BE WEIGHING POSSIBILITY OF MEASURES WHICH WOULD SUBJECT TO GREATER CONTROL TEMPORARY IMPORTS OF PETROLUM PRODUCTS REFINED FOR AND REEXPORTED TO THIRD PARTIES, WHICH PRESENTLY EXEMPT FROM ABOVE EXPORT LICENSING PROCEDURES.

BEAUDRY

UNCLASSIFIED

PAGE 03 ROME 10913 101726Z

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 10 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973ROME10913
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731041/aaaabdscltel
Line Count: 107
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: ROME 10564
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 22 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22-Aug-2001 by phillir0>; APPROVED <28-Jan-2002 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOVERNMENT ACTS TO CONTROL GAS OIL, KEROSENE EXPORTS
TAGS: ENRG, ETRD, IT
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005